

Message

From: Goldmann, Elizabeth [Goldmann.Elizabeth@epa.gov]
Sent: 12/12/2017 12:44:54 AM
To: Hurd, Kathy [Hurd.Kathy@epa.gov]
CC: Ziegler, Sam [Ziegler.Sam@epa.gov]; Moffatt, Brett [Moffatt.Brett@epa.gov]
Subject: Summary: AZ Public Stakeholder Meeting for 404 Assumption

Hi Kathy,

Here is a brief summary of ADEQ's December 4, 2017 public stakeholder meeting on 404 CWA state assumption.

Sam Ziegler, Manager, Wetlands Section, Brett Moffatt, ORC and I participated (listening only) via the conference line for the meeting.

The meeting was attended by industry, NGOs, private individuals and local government representatives.

- **Cost of Program Implementation:** This was the greatest concern expressed at the meeting. Right now, AZ proposes a "pay to play" or "fee for service" program. They believe the program could be supported by permit fees they generate. AZ stated that industry informed them that quick and efficient programming is worth the fees. Yet, several participants expressed concern: 1) State agencies are not charged fees according to AZ statute; 2) local government, small businesses and individuals may find fees cost prohibitive; 3) AZ isn't doing a good job right now with inadequate funding/staffing to implement 401 and 402; and 4) where will AZ get the \$ upfront to start the program before the permit fees flow in.
- **NEPA/ESA/401:** There were a number of questions on how AZ would comply with these statutes. At this early stage, there were many questions that could not be answered and some responses by the state were not accurate (e.g., the state does not have to comply with ESA). They also suggested rolling 401 into 404 to save time.
- **Implementing Regulations:** There were several questions regarding implementation of different aspects of the 404 program: 1) Will they charge for a JD?; 2) What will they do if a Corps- approved JD expires – who re-verifies it?; 3) Has ADEQ contacted other state agencies like AGFD? What will be the role of other state agencies?; 4) How will the permit process work? Will there be NWP's?; 5) How will they handle civil and criminal cases?; 6) Will they regulate waters on federal lands? ADEQ said it was too early in the process to answer most of the questions.
- **404 State Assumption:** Participants had some questions: 1) How does ADEQ view EPA's role; and 2) Why are they doing this now? They also requested early participation on the process.

With regard to implementation, ADEQ discussed 404 assumption as a process of working with "customers and products" and discussed the "Return on Investment" and "Selling a Product." This was not well received by some participants.

Lastly, when pushed for a time line, ADEQ roughly estimated the program would cost \$1.5 million per year and require 9 FTE. The very earliest for assumption would be March 2019, but they said it would likely change.